

**RESOLUTION NO. 75077**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN  
JOSE APPROVING A FUNDING COMMITMENT FOR SITE  
ACQUISITION OF THE MARKHAM TERRACE  
APARTMENTS PROJECT**

**WHEREAS**, on November 21, 2008, Charities Housing Development Corporation (“Charities”) entered into a Purchase Agreement with EHC Lifebuilders (“EHC”) for the Markham Terrace property that consists of the 95-unit Markham Terrace Apartments and a 5,000 square foot single story restaurant, both located, at 2112 Monterey Road, (“Property”) in the amount of \$6,280,000; and

**WHEREAS**, on January 27, 2009, the Council of the City of San José (“City”) approved the framework for the Forbearance Agreement with EHC and its creditors, which was executed on April 2, 2009, to strengthen the financial position of EHC; and

**WHEREAS**, most of EHC’s debts will be repaid from the sale of the Property to Charities, and Charities will be allowed to assume the loans from the City and the County of Santa Clara’s Office of Affordable Housing; and

**WHEREAS**, the City desires to approve a funding commitment of up to \$6,280,000 of 20% funds to Charities, or its legal affiliate, for a land acquisition loan to acquire the Property from EHC;

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**NOW, THEREFORE,** BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

A funding commitment of up to \$6,280,000 of 20% funds to Charities Housing Development Corporation, or its legal affiliate, for a land acquisition loan to acquire the Markham Terrace Property, located at 2112 Monterey Road, from EHC Lifebuilders, as more specifically set forth in the Director of Housing's report dated July 13, 2009, is hereby approved.

ADOPTED this 4<sup>th</sup> day of August, 2009, by the following vote:

AYES: CAMPOS, CHIRCO, CHU, CONSTANT, HERRERA,  
LICCARDO, NGUYEN, OLIVERIO, PYLE, REED.

NOES: NONE.

ABSENT: KALRA.

DISQUALIFIED: NONE.

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CHUCK REED  
Mayor

ATTEST:

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LEE PRICE, MMC  
City Clerk